

U.S. REPRESENTATIVE GRACE MENG

PROUDLY SERVING NEW YORK'S 6TH DISTRICT



SBA ECONOMIC INJURY DISASTER LOANS

Congresswoman Meng championed legislation to provide the Small Business Administration's disaster relief loans, also known as Economic Injury Disaster Loans (EIDL), to businesses impacted by the COVID-19 pandemic. This provision was included in the first coronavirus disaster relief package.

WHAT DOES THIS MEAN FOR NEW YORK SMALL BUSINESSES?

New York's small businesses that have suffered economic losses due to the COVID-19 outbreak can now apply for these disaster loans which became available in New York after the SBA approved New York State's disaster declaration. Small businesses in all counties throughout New York State can begin applying for these EIDL loans – for up to \$2 million – to use for fixed debts, payroll, accounts payable, or other bills that cannot be paid because of the COVID-19 outbreak.

HOW DO I APPLY?

Small businesses seeking SBA disaster loan relief are first encouraged to contact a representative from the New York Small Business Development Center (SBDC). There are over 22 campus-based centers and outreach offices across New York to assist the clients with the loan application. For businesses located in Queens, please email:

- Queens College SBDC at sbdc@qc.cuny.edu
- LaGuardia SBDC at sbdc@lagcc.cuny.edu
- York College SBDC at sbdc@york.cuny.edu

Applicants may apply online, receive additional disaster assistance information and download applications at <https://disasterloan.sba.gov/ela>. Applicants may also call SBA's Customer Service Center at (800) 659-2955 or email: disastercustomerservice@sba.gov for more information on SBA disaster assistance.

WHAT ARE THE ELIGIBILITY REQUIREMENTS?

- *Credit History:* Applicants must have a credit history acceptable to SBA.
- *Repayment:* Applicants must show the ability to repay the loan.
- *Collateral:* Collateral is required for all EIDL loans over \$25,000. SBA takes real estate as collateral when it is available.

ADDITIONAL INFORMATION

- *Loan Amount Limit:* The SBA's loan program provides working capital loans of up to \$2 million to help overcome the temporary loss of revenue.
- *Loan term:* SBA will determine an appropriate installment payment based on the financial condition of each borrower, which in turn will determine the loan term.
- *Interest rate:* The interest rate is determined by formulas set by law and is fixed for the life of the loan. The maximum interest rate for this program is 3.75 percent for small businesses and 2.75 percent for nonprofits.
- Eligible applicants who apply for an EIDL may request up to \$10,000 be immediately disbursed. The amount need not be repaid, regardless of the loan decision.

FOR MORE INFORMATION, PLEASE VISIT:
<https://covid19relief.sba.gov>

PLEASE CONTACT MY OFFICE WITH QUESTIONS OR CONCERNS:

EMAIL: meng.house.gov/contact

PHONE: 718-358-6364 To be connected to staff member business hours.



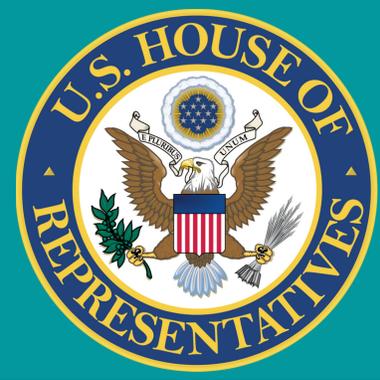
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SBA Paycheck Protection Program (PPP) Loans

Congresswoman Meng helped pass legislation that created a new Small Business Administration Paycheck Protection Program for small businesses impacted by the COVID-19 pandemic. This new program was part of the third coronavirus disaster relief package.

WHAT DOES THIS MEAN FOR NEW YORK SMALL BUSINESSES?

New York's small businesses that have suffered economic losses due to the COVID-19 outbreak can now apply for PPP loans. Small businesses and eligible nonprofit organizations, Veterans organizations, and Tribal businesses, as well as individuals who are self-employed or are independent contractors, are eligible if they also meet program size standards. PPP loans help those eligible keep their workforce employed during the crisis.

HOW DO I APPLY?

Small businesses seeking SBA PPP loan relief are first encouraged to contact a representative from the New York Small Business Development Center (SBDC). There are over 22 campus-based centers and outreach offices across New York to assist clients with the loan application. For businesses located in Queens, please email:

- Queens College SBDC at sbdc@qc.cuny.edu
- LaGuardia SBDC at sbdc@lagcc.cuny.edu
- York College SBDC at sbdc@york.cuny.edu

You can apply for an SBA PPP loan through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating.

WHO CAN APPLY?

- Any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons)
- private non-profit organization
- 501(c)(19) veterans organizations
- Businesses in certain industries with over 500 employees
- Small businesses in the hospitality and food industry with more than one location could also be eligible at the store and location level if the store employs less than 500 workers. This means each store location could be eligible.

ADDITIONAL INFORMATION

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll.

SBA will forgive loans if all employees are kept on the payroll for 24 weeks and the money is used for payroll, rent, mortgage interest, or utilities. At least 60% of the forgiven amount must have been used for payroll.

The Paycheck Protection Program will be available through August 8, 2020.

Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19.

FOR MORE INFORMATION, PLEASE VISIT

<https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp>

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